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# Annual report of the Administrator on evaluation 2003

*Summary*

The report on evaluation 2003, covering the period from July 2003 to June 2004, expands on earlier reports and examines the progress made by UNDP in contributing to global and national development results. It identifies a number of organizational lessons distilled from strategic assessments.

Key thematic and country evaluations point to some achievements in influencing policy and stimulating national debate on human development. UNDP has been effective as a broker between Government and external agencies, and in successfully piloting and feeding lessons and experiences from downstream work into upstream dialogue. But UNDP needs to do more to position itself strategically as a major global upstream policy advisor and in building upon niches that it often creates successfully.

The performance of evaluation itself can be determined by the extent to which evaluative evidence is relevant, accessible and timely in decision making. In this regard there has been some success, as noted in the evaluations of UNDP support to the poverty reduction strategy papers (PRSP) process and to Millennium Development Goals (MDG) reporting. In building awareness and capacity to support evaluative evidence-based decision-making, UNDP and its associated funds and programmes still have some way to go.

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## Introduction

1. This annual report presents an overview of the performance of the evaluation function for the period July 2003 to June 2004. The 2003 report expands on previous years by detailing UNDP's contribution to development results that have been validated by independent assessment and key organizational lessons derived from strategic evaluation. The evaluative work of all UNDP associated funds and programmes has been integrated, presenting the combined value of evaluation to the institution.

2. The report is presented in five parts. Part I details how the evaluation function has provided high quality evidence as a basis for decision making and accountability, and built capacity in evaluation. Part II presents findings from key evaluations conducted during the year, from the corporate to the sub-country level. Part III describes the development results to which UNDP has contributed that have been verified by evaluation. Part IV highlights the key lessons drawn from strategic evaluation of relevance to the organization as a whole. Part V provides an outline of the evaluation agenda in 2004.

## I. The evaluation function

3. Evaluation serves the dual function of providing a basis for improving the quality of policy and programming, and a means to verify achievements against intended results. To ensure that the practice of evaluation remains robust, continual improvements have been made to align the architecture to corporate goals, to review and update methodology, and to strengthen a culture and capacity of assessment in UNDP and with its partners.

*Review of evaluation architecture*

4. After two years of implementation, the architecture and its instrumentation are under review. At the apex, the third Development Effectiveness Report (DER) advanced the conceptual understanding of development effectiveness, identifying factors and conditions that have been adopted as drivers of the organizational strategies of the multi-year funding framework (MYFF) 2004-2007. The utility of these drivers – inter alia, capacity, ownership and policy – as a framework for assessment was tested successfully in the country evaluation for Nigeria in 2003 and is being further refined via the fourth DER, which is currently being prepared.

5. Strategic and thematic evaluations continue to serve as an effective instrument of corporate relevance. Its utility has been demonstrated through the evaluations of UNDP support to the PRSP process and to national MDG reports. These provided a timely platform for debate on the coordinated monitoring of progress towards the MDGs and PRSP performance, linking poverty monitoring more clearly with pro-poor policy reforms.

6. The country evaluation or Assessment of Development Results (ADR) has been applied actively since its introduction in 2002. An initial review found it to be a strong basis for determining whether or not UNDP is applying its comparative advantage optimally. The evaluation office is considering how to expand annual coverage of ADRs as an instrument of validating UNDP results at the country level.

7. One of the challenges of the ADR and the DER has been the evidence base upon which they rely. The methodology requires multiple sources, both internal and external to UNDP, as the basis for identifying and validating information. One source is evaluations conducted by country offices. A review of outcome evaluations in 2003 found a low level of activity, with only 20 per cent of those planned during the year actually conducted (see annex, part B). The lag reflects the challenge of 'evaluability' – how and when to evaluate outcomes and upstream actions – as compared to the more straightforward project evaluations of downstream projects in the past. This will be eased by the new MYFF, with the introduction of core results that are lower-level targets and thus more attributable and measurable.

8. The Evaluation Office of UNDP has worked closely with the operations support group in ensuring that evaluation remains responsive to the corporate planning framework of the MYFF, providing direct evidence of validation of the self-reported achievements of the organization. The sharing of evaluation and audit plans between the Evaluation Office and the Office of Audit and Performance Review has led to improved liaison on country assessment. In the case of Turkey, the ADR closely followed and built upon the audit process. The combined results provide a more balanced assessment of internal performance and contribution to development effectiveness.

9. The opportunity to improve alignment amongst UNDP associated funds and programmes evaluation policies and procedures has been enhanced. The conference room paper developed by the United Nations Development Fund for Women (UNIFEM) and UNDP for the January session of the UNDP/UNFPA Executive Board (DP/CRP.2) proposes ways in which planning and self-assessment systems may be harmonized using the MYFF and the associated results-orientated annual reporting mechanisms.

## A. Evaluation awareness and capacity development

10. While the architecture introduced in 2001 was a first step, the managing for results and simplification processes have yet to fully inculcate a culture of assessment. This is not uniquely a UNDP problem, but rather a broader challenge of how to foster management that recognizes the value of evidence as a basis for decision-making, and a system that uses substantive evidence as a foundation for accountability at various levels. Awareness raising and capacity development are two ways in which the Evaluation Office has sought to address this concern.

*Learning and exchange*

11. The Evaluation Office has developed a partnership with the learning resources centre, the Operations Support Group and the Bureau of Management, to refine and conduct training for UNDP staff in results-based planning, monitoring and evaluation, and reporting. During 2003, over 220 UNDP staff from over 60 countries – including resident representatives, deputy resident representatives, programme officers and LEAD staff – have received a full day of such training. Operation and training in evaluation are conducted by Evaluation Office staff on ADR mission in country offices, thus reducing transaction costs.

12. A programme of staff exchange has been initiated by the evaluation office, bringing national officers to headquarters to work in evaluation for a limited period.

A pilot programme with the Sri Lanka office during 2003 proved extremely successful. The evaluation office has now consulted with all regional bureaux to develop a more extensive exchange programme to contribute further to capacity development.

*Country and regional initiatives*

13. The Evaluation Office has initiated a review of current assessment practices at the country level in order to strengthen the culture and practice of assessment. Some progress has been made. The ADR findings themselves have prompted evaluation capacity development. In Bulgaria, the evaluation highlighted gaps in the country office performance assessment system, prompting the office to redesign its performance frameworks. Several other county offices have initiated their own evaluation capacity development in 2003, including Guatemala, Moldova and Panama.

14. Collaboration between the Evaluation Office and the Regional Bureau for Europe and the Commonwealth of Independent States resulted in a regional initiative to build capacity with respect to impact assessment. Similar collaborative initiatives included a two-day strategy workshop in the Asia and Pacific region on improving evaluation for learning brought together UNDP staff from 15 country offices and two sub-regional resource facilities as part of the regional evaluation network community (EvalNet). In Africa, UNIFEM launched an initiative with the African Evaluation Association to build partner and internal capacity in common evaluation approaches based on principles of participation, human rights, gender equality and results-based management. Testing is now under way on a monitoring and evaluation framework integrating these facets, which, if successful, will form the basis for a UNIFEM-wide set of guidelines and standards. Regional initiatives are being organized by the Global Environment Facility (GEF) monitoring and evaluation unit, building regional units and programme management staff capacity in procedures, tools and methodologies for evaluation.

*Evaluation services*

15. The Evaluation Office has strengthened its service to country offices, regional centres and headquarters bureaux at various points in the evaluation cycle. Similar services are offered by the innovation and learning unit of UNIFEM staff and the valuation unit of the United Nations Volunteers programme (UNV). Pre-evaluation assistance includes advice and support on how to plan for evaluation, develop terms of reference and select consultants. To improve the quality of evaluation design, on-demand support is provided for objective setting, scope and approach, methodology, and implementation. Post-evaluation assistance includes reviewing draft reports for quality and consistency.

16. The Evaluation Resources Centre, launched in 2004, provides a vital on-line service that enables country offices, bureaux and units to enter and update their evaluation plans interactively. Its extensive library, which is updated by the participating focal point for each exercise, contains over 320 UNDP evaluations linked to a powerful search engine. A feedback loop is supported through the evaluation recommendations tracking component of the centre. This tool will continue to expand in keeping with the corporate knowledge management strategy.

*Knowledge networks and publications*

17. EvalNet provided an active conduit for expert referral, dialogue and sharing comparative experiences during 2003. Membership has grown to over 500 members,

70 per cent over of whom are in country offices. The website of the United Nations Evaluation Group, known as the United Nations evaluation forum, was designed and is hosted by the evaluation office. Since its 2003 launch it has provided an accessible platform for information sharing and dialogue. Membership has grown to over 250, and each of the United Nations evaluation group's working teams has utilized the service, with active discussions on the MDG reports and a debate on evaluation capacity development.

18. The Evaluation Office publication *Essentials* has been designed to help practitioners understand and compare diverse experiences around a given development topic. Recent topics have included 'Volunteerism and Development', 'Electoral Assistance', 'E-governance', and 'The Danish Trust Fund for Development'. In each case, the topic has been chosen with the guidance of the practice networks and is based on substantive evaluative evidence.

## B. Evaluation in the United Nations

19. The evaluation architecture and capacity development work of UNDP are consistent with the reform of the United Nations system. The reform process has two main implications: (a) the need for coordination in assessing the MDGs, to which all United Nations organizations contribute; and (b) the standardization of evaluation practices at the operational level. The United Nations Evaluation Group, for which UNDP serves as chair and secretariat, advances the collaboration of United Nations evaluation bodies.

20. The United Nations Evaluation Group focussed on several core work areas in 2003. A study of norms and standards found that over three quarters of United Nations organizations have an explicit evaluation policy and over four fifths have guidelines, but capacity and practice vary. The challenge is to agree upon a common set of minimum standards drawn from these varying practices. While a study of MDG reporting found differing approaches across organizations, a common challenge is that of linking programme outcomes to the MDGs. The United Nations Evaluation Group provided continuing support to the preparation of the Triennial Comprehensive Policy Review by the United Nations Department of Economic and Social Affairs.

20 The United Nations development assistance framework (UNDAF) monitoring and evaluation plan was approved in 2002 and incorporated into the CCA/UNDAF guidelines. A review of experiences in 21 pilot countries highlighted the value of streamlining assessment practice to increase quality assurance, exchanging data and reducing the burden placed on national authorities by disparate evaluation practices. Defining common yet meaningful outcomes that pertain to the diverse work areas of the United Nations organizations remains a challenge on which work will continue during the next twelve months, with over 30 countries developing UNDAFs and associated monitoring and evaluation plans.

21. The annual meeting of United Nations evaluation group in April 2004 defined priorities for the coming year, namely, to work on norms and standards, evaluation capacity development and United Nations reform and harmonization.

## C. Partnership in evaluation

22. UNDP represents the United Nations at the Development Assistance Committee Network on Evaluation, and has sought to broker greater involvement of individual United Nations organizations in the network's substantive work areas. In the context of the network, UNDP has agreed to act as a pilot to test a new approach to evaluating multilateral organizations. The approach will be based on an assessment of the UNDP evaluation architecture and performance assessment instruments. The pilot should have the additional benefit of assisting UNDP as it continually upgrades its instruments of evaluation.

23. Partnerships continue to be strengthened with the evaluation offices of bilateral agencies, notably the Governments of Denmark, Germany, the Netherlands and the United Kingdom. These relationships go beyond resource mobilization to areas of mutual methodological and thematic interest. This is exemplified by the ongoing joint evaluation of the linkages between democratic governance and poverty reduction with the Government of the Netherlands.

24. UNDP has invested in international, regional and national evaluation associations. The International Development Evaluation Association, launched in 2002, has over 200 members from 60 countries. The association has evolved a number of workstreams such as (a) consolidating empirical evidence on how to improve the usefulness and usability of evaluation, and (b) evaluation and accountability.

25. In 2003, UNIFEM and the African Evaluation Association established the Africa gender and development evaluators network to strengthen gender analysis in evaluation. Collaboration has also developed between UNDP and the Malaysian Evaluation Society (MES), with country office staff attending an international conference on evaluation and performance management organized by MES, and MES members leading EvalNet discussions.

26. At the national level, the Niger Monitoring and Evaluation Network, chaired by a UNDP staff member, has been one of the most active in the region, with over 200 members from public administration, universities, United Nations organizations, non-governmental organizations (NGOs) and private sector. In 2003 the Sri Lanka Evaluation Association, which was established with UNDP support, submitted a national policy for evaluation at the request of the Ministry of Policy Development and Implementation.

# II. Key evaluations

27. Strategic assessments have remained central to the UNDP evaluation function. The DER, five global thematic studies and eight country ADRs were managed by the evaluation office and completed in 2003. These were complemented by over 20 corporate, thematic and country assessments conducted by UNDP-associated funds and programmes over the same period (see paragraph A of the annex for supporting data). Fifty sub-country level evaluations (of programme, plan, outcome and project) were also conducted, 28 of which were outcome evaluations (see paragraph B of the annex). The findings of these evaluations are reported below.

## A. Corporate evaluations and reviews

28. The increasingly strong performance of UNDP projects over the past half-decade and the criticality of national ownership for sustainability and effectiveness were highlighted by the DER. The study raised the bar in terms of assessing effectiveness, challenging the organization to move its instruments for measurement upstream to mirror its interventions in policy advice, brokering and advocacy.

29. The second UNDP global cooperation framework (GCF-II) was designed to enhance UNDP support to developing countries needing to benefit from global knowledge with respect to critical dimensions of poverty reduction and human development. The evaluation office found that GCF-II had contributed significantly to the transformation of UNDP into a globally networked, knowledge-based organization through the establishment of communities of practice and knowledge networks and the decentralization of policy support to the sub-regional resource facilities. On the other hand, GCF-II had contributed only marginally to the integration of global advocacy and research within the country level practice of UNDP.

30. The independent impact assessment of the United Nations Capital Development Fund (UNCDF), conducted in compliance with Executive Board decision 99/22, found that while UNCDF has contributed substantially to development results through its local governance and microfinance programmes, the mismatch between its niche and international donor funding trends, aggravated by weaknesses in its own internal governance structures, has led to questions about the financial viability of the Fund after 2004.

31. In 2003, the work of the Special Unit for Technical Cooperation among Developing Countries was reviewed through a series of reports. No external assessments have been conducted, but internal reviews have indicated that South-South cooperation by UNDP has contributed to the increasing collaboration amongst developing countries, particularly in the expansion of regional and sub-regional opportunities for trade and investment flows.

## B. Thematic and multi-country evaluations

32. Building on the first phase of an assessment of micro-macro linkages in South Asia, a second study, expanded to include initiatives of UNDP partner agencies, was completed in Bangladesh, India, Nepal, Pakistan and Sri Lanka. The findings reveal that macro-economic policies can have an adverse effect on even well designed community-level initiatives. There is a need to incorporate appropriate coping strategies during planning and to support advocacy for increased pro-poor orientation in certain macro policies. Understanding macro-micro scale relationships and effects was also investigated in the GEF evaluation of the inter-linkages between global environmental gains and local benefits in the GEF portfolio. Through a review of projects in 14 countries supported by an extensive desk review, the evaluation found positive impacts in a variety of local initiatives, including the development of sustainable energy services and community-based conservation.

33. The advocacy and brokering role of UNIFEM in influencing peace and security processes, and the coherence and effectiveness of the various strategies used in its HIV/AIDS programmes, were subjects of cross-regional thematic assessments during the year. With respect to peace and security, UNIFEM was found to be effective in bridging diverse groups to influence peace-building processes, and had made concrete achievements in mainstreaming gender into constitutional legislative and electoral reform. In connection with HIV/AIDS, the assessment found that UNIFEM had been effective in expanding knowledge and awareness of how gender inequality fuels the pandemic, and in bringing the voices of HIV-positive women to the attention of policy makers.

## C. Country evaluations

34. Eight ADRs were completed during the reporting period, in Bangladesh, Bulgaria, Egypt, Ethiopia, Nigeria, Turkey, Ukraine and Viet Nam. An assessment of Haiti was put on hold due to political unrest.

35. In Ethiopia, the ADR sought to determine how UNDP has responded to the emergencies and development challenges in the country as a basis for helping the organization reposition itself. The evaluation found that UNDP holds a critical position in the overall architecture for coordination and liaison between Government and external partners, and has played a key role in PRSP formulation by facilitating regional and civil society consultations. The continuing vitality and visibility of the upstream coordination role of UNDP in the country will depend upon its ability to feed in lessons and experiences from its downstream operational work.

36. Macro and micro initiatives has been linked successfully in Turkey, where UNDP was instrumental in stimulating debate on human development issues through national report production and dissemination, and support for the creation of a human development centre in Istanbul. It has built on this advocacy role with downstream actions, orchestrating a shift in a major regional infrastructure project in the southeast and eastern parts of the country to become human-development focused. Effective advocacy was also noted in Ukraine, where UNDP played a key role in shaping policy debate and dialogue in human development through the production of high-quality human development reports; and in Egypt, where human development issues entered the national debate, kick-started by the national HDR of 1994 which had drawn attention to geographical and gender disparities in the country. Since then, the Egypt NHDR has served as a tool used by regional governors to become familiar with development concepts and problems.

37. In Turkey, UNDP was successful in integrating environmental concerns into the national policy debate by building national policy and management capacity within the Government and among civil society groups, ultimately resulting in Turkey's ratification of the United Nations Framework Convention on Climate Change. In Egypt, UNDP took the lead in strengthening the technical secretariat of the National Council for Women, resulting in gender mainstreaming throughout the country's the fifth national five-year plan. The evaluation found that overall the country office had been extremely proactive in its advocacy and relationship building, and was thus well positioned with regard to its future role.

38. Ukraine has been at the forefront of efforts to address HIV/AIDS, the reintegration of Crimea, the Chernobyl recovery and the disposal of landmines.

UNDP has been highly successful at resource mobilization in these areas, helping to more than double programme expenditures in 2002 and again in 2003. However, this has come at the cost of a diverse stream of initiatives, in some cases lacking internal cohesion and external coherence, and potentially crowding-out the key coordination and brokering roles that UNDP had found so effective in Ethiopia. This challenge was similarly highlighted in the cases of Turkey and Egypt, despite differences in resource levels.

39. Among the 10 evaluations and reviews of operational activities that UNV conducted during 2003, the country review of the work in Burkina Faso outlined achievements in building community capacity development, particularly in project planning and formulation, and in the involvement of marginalized sectors, notably women, in decision-making with respect to the areas where UNV was working.

## D. Sub-country evaluations

40. Sub-country evaluations include programme, plan, outcome and project evaluations conducted within a single country and managed by respective the country office. Outcome evaluations were conducted across all geographical regions and in all sectors of UNDP operations during 2003 (see paragraph B of the annex for details). The majority of the 28 such evaluations conducted during the year focused on building democratic governance and poverty reduction. UNDP has been identified as making significant contributions, including in support of the development of regulatory and political frameworks, capacity development of state and non-state actors, and the completion of successful and relevant pilot initiatives. Rarely, however, was UNDP found to have contributed substantively across all the elements required to ensure the comprehensive achievement of the outcomes targeted. This reflects both the challenge of designing and implementing outcome-influencing initiatives, and that of evaluating such initiatives.

41. The seven project evaluations conducted by UNV during the year confirmed that much of the added value of the programme lies in the volunteers' ability to combine technical skills and professionalism with motivation, dedication and flexibility. In sensitive areas such as human rights, HIV/AIDS and conflict resolution, the programme has been particularly effective in building the confidence and trust of communities by bringing the neutrality and universality of the United Nations to volunteerism. Mixed teams of national and international volunteers were identified as a generally effective mechanism to enhance experience and knowledge sharing, as well as maximize the benefits of South-South cooperation. The contribution of UNV in stimulating local volunteer action and the ethos of volunteerism within communities was also recognized.

42. During the year, the UNDP Montreal Protocol Unit contracted a series of independent evaluations under the guidance of the evaluation office of the Multilateral Fund (MLF). The aim of these have been to assess the continued relevance of the fund support to various types of projects in different countries/regions, and to specifically to evaluate the overall performance of the fund in reducing ozone-depleting substances according to established targets. In the case of the solvent sector phase-out plan in China, the evaluation found that it has been implemented successfully to date, with reductions in the national consumption of chlorofluorocarbon 113, trichlorethane and chlortetracycline. The evaluation

recommended improvement in the chlortetracycline monitoring system, and technical support for solvent companies. Lessons from all MLF evaluations are presented to the Executive Committee, shared among all the United Nations organizations, and integrated into updated MLF policies, procedures, guidelines and criteria.

# III. Development results

43. To complement self-assessment reporting, in this section the evidence gathered through independent evaluation is reconfigured around the corporate goals. While providing an important source of corroboration, the variable focus of numerous evaluations conducted in a single year does not constitute a validation of the full canvass of results. The themes under each sub-section are not service lines from the MYFF, but evidence-determined clusters.

## A. Achieving the MDGs and reducing poverty

*Pro-poor policy reform.*

44. All the countries in which UNDP operates are working towards poverty reduction, but only 48 support pro-policy reform as a primary focus. UNDP supports 43 of the 76 countries engaged in PRSPs, but not all of these have demonstrated clear linkages between their growth strategies and poverty reduction, as was made clear in DER 3. The pro-poor policy content of the PRSPs increased when UNDP work focused on promoting national discussions of the nature and social costs of poverty in the course of its work on MDG monitoring. While UNDP was found to have contributed to building national ownership of the process, it could do more to promote national debate on development strategies and the causes of poverty. Where UNDP has been most successful and has contributed directly to policy and legislative change, it has been a consequence of the advocacy grounded in its own work, such as its coordination function, pilot initiatives, and the Human Development Report.

45. In Bulgaria, an increase in the relative priority of the social sectors in the Government budget, rising from 15-23 per cent over the period 1998-2001, could be partially attributed to UNDP advocacy on social issues and its pilot job creation efforts, as outlined in the Bulgaria ADR. Similarly, in Madhya Pradesh, India, advocacy using the state human development reports resulted in an increase in social sector allocations from 19 per cent to 42 per cent over the periods 1992-1997 and 1997-2002. In Viet Nam, the UNDP role as a facilitator in the development of the 10-year socio-economic development strategy (2001-2010) drew on its work in public sector reform and expanding the MDGs to address nationally specific issues. Human development reports were found to be important tools for effectively shaping policy debate and dialogue in East Timor, Egypt, Honduras, Nigeria, Turkey and Ukraine.

*Institutional capacity development for human and income poverty assessment.*

46. Institutional arrangements and capacity for poverty monitoring to ensure PRSP implementation were not always found to be adequate in target countries.

Notable exceptions include Nigeria, where good results have been achieved in training statistical officers at the state and local levels, and Turkey, with the creation of the Human Development Centre in Istanbul. Similar positive efforts to build the capacity in assessment practices were observed in Sri Lanka, where over 800 senior officials from the treasury participated in a training programme juxtaposed with regional training initiatives.

*Local poverty initiatives and scaling up.*

47. UNDP and its associated funds and programmes continue to work in micro-level development as a dual strategy based on comparative advantage in certain sectors and regions, and as a foundation where development alternatives can be tested as the basis for widespread transformation. In Turkey, for example, UNDP has been instrumental in turning a regional development initiative in the southeast from one that was principally focused on infrastructure development to one supporting broader human development in the region. Lessons from this initiative have been successfully applied to a companion project in Eastern Anatolia.

48. In microfinance, UNDP worked with the social development fund of the Government of Egypt, providing a model for future replication that is being mainstreamed into larger lending operations. The targeted microfinance work of UNDP and UNCDF in Haiti, Kenya, Malawi and Nigeria has been successful in increasing women's access to financial services, with services in general expanding an estimated 80-85 per cent. However, the evaluation pointed out that a number of opportunities had been missed for the broader replication. At the same time, it noted that local-level initiatives that had played at least partially catalytic roles in encouraging change at the macro level, whether in legislation or policies. The successes of the Local Initiative Facility for Urban Environment programme for slum regularization and renewal in Pakistan, for example, paved the way for the approval of a national shelter policy to regularize urban slum dwellings in Pakistan.

## B. Fostering democratic governance

*Review and reform of legislation and policies.*

49. The highest concentration of UNDP activities during the 2000-03 period was in the area of governance, with support for the creation and strengthening of governance institutions and enabling environments for broad-based dialogue on reform emerging as prominent focal areas. In Honduras and Viet Nam, UNDP worked successfully to strengthen institutions including the courts and the prosecutor's office. In Viet Nam, support for the Democracy Trust – a platform for debate on development issues – led to two key agreements, on electoral and political reforms and in the pursuit of sustainable development as a national policy, between the political parties and the Government, with the participation of civil society and donors. These initiatives promoted citizenship and plural debate in a society that is still consolidating democracy.

50. In some cases where efforts were made to improve the quality and pace of reform, evaluations found that the work could have been better coordinated and developed with a greater degree of national ownership (in Mali and Panama, for example). In Laos, UNDP is supporting a process of harmonizing the constitution

and selected national laws vis-à-vis international instruments. While the value of that work was recognized, the lack of progress was attributed in part to these factors.

*Decentralization and administrative reform*

51. UNDP actively supported administrative and political decentralization through support to the drafting of new laws, local capacity building and fostering broad-based ownership. The organization was successful with pilot interventions such as the model municipalities under the Capacity 21 initiative, which worked in Bulgaria and Turkey (with a similar initiative in Honduras) to build municipalities' and citizens' capacity to plan and manage local development programmes. Similarly, the UNCDF work on fiscal decentralization and good financial management through local-level pilots in Cambodia, Mali, Mozambique and Uganda had a positive impact and influenced national policy direction on decentralization.

52. Specific capacity development efforts at the local level also succeeded, with UNDP strengthening the role and capacity of provincial people's councils in Viet Nam as representatives of local concerns and transparent mangers of public funds, and through the capacity development work of UNIFEM on gender budgeting in Latin America and West Africa. Initiatives in the Andean region have been particularly successful in influencing local level budgetary analysis using participatory processes. Efforts to support upstream decentralization and reform planning met with mixed results, however, as in the case of Pakistan where the benefits of supporting the formulation of a legal and policy framework were not being felt due to the slow pace of implementation.

*Improving electoral systems and processes.*

53. Supporting electoral reform and local elections, establishing the instruments for observation and building the capacity to manage elections are all core work areas of UNDP in its drive to support democratic governance. Evaluations conducted in Bangladesh, Mali and Yemen have all provided evidence of support to electoral reforms and strengthening electoral capacity to deliver free and fair elections. In Bangladesh, UNDP effectively capitalized on its reputation as a trusted, neutral third party to play a leading role in the organization and monitoring of parliamentary elections in 1996, and local elections in 1997 and 1999, encouraging and coordinating the inputs of other donors. In Yemen, although irregularities were observed, they were not felt to have undermined the progress made in the ability of the commission for elections to conduct the election with UNDP support.

## C. Energy and environment for sustainable development

*Strategy and policy support and reform.*

54. UNDP works on environmentally sustainable development issues in virtually all programme countries. In Turkey, environmental concerns have historically not been a factor in national policy debate nor figured prominently in public investment and regulatory reform. UNDP has contributed to the increased prominence environmental issues more prominence and building environmental policy and management capacity in government and among civil society, intensively engaging in the preparatory work for the Johannesburg World Summit on Sustainable Development in 2002 and administering of the GEF Small Grants Programme.

UNDP support was instrumental in achieving Turkey's ratification of the Climate Change Convention.

55. In China, the 2003 Tenth National People's Congress decided to reorganize the government mechanism for making energy policy by creating a new body within what was to become the State development and reform commission, with responsibility for energy strategy for sustainable development. The UNDP project 'supporting China's sustainable energy strategy' which emerged out of discussions between UNDP and the Government, together with strong relationships with government officials who could channel policy recommendations to the State Council, led to the reorganization of energy policy in line with project recommendations. China's 'solvent sector plan' is also being implemented successfully, responding to the challenge of phasing out solvent use among thousands of small enterprises. The plan is being implemented by UNDP with a funding volume of $52 million from the Multilateral Fund of the Montreal Protocol.

*Local sustainable development initiatives.*

56. UNDP has developed and supported initiatives that provide assistance to rural and municipal energy efficiency planning and management; the integration of biodiversity conservation and sustainable use objectives into local and national sector plans and strategies; and the process of national capacity self-assessment for global environmental management. In India, the GEF has been supporting local schemes for hydroelectricity. These schemes have generated a more consistent, environmentally sound supply, although negative effects have been felt in some schemes where water rights have shifted from local people to external entities. Positive and negative lessons have been drawn from the evaluation as a basis for potential replication.

## D. Crisis prevention and recovery

57. The interdependence of peace and development has provided an entry point for UNDP to support conflict prevention and peace building. Evaluations of the operational flexibility of UNDP in conflict and post-conflict situations, and of the UNIFEM peace and security programming, identified both challenges and successes. Based on an eight-country assessment, flexibility was seen to be relatively weak within UNDP, constrained by the lack of cross-country experience sharing. UNIFEM was found to be a highly effective convenor, bringing diverse constituencies of women together to develop a common agenda in the aftermath of conflict. The evaluation further highlighted the Fund's ability to bridge partnerships between diverse groups, particularly among emerging women's organizations, government and the United Nations, and outlined evidence of concrete achievements in mainstreaming gender into constitutional, legislative and electoral processes in almost all the countries studied.

58. Peace-building by attending to immediate reconstruction and recovery needs as well as by helping the national process have been central to UNDP work in East Timor, Niger and Tajikistan. In Niger and Tajikistan, evaluations on demobilization and reintegration of ex-combatants recommended the scaling up of the successful pilots. However, challenges of sensitizing the local population remained.

### E. Responding to HIV/AIDS

59. Attaining the MDGs is contingent upon an appropriate response to the HIV/AIDS pandemic. Recently, recognizing the many different impacts of the disease on people's lives, UNDP developed a multifaceted response that offers a variety of services to developing countries. In Ukraine, UNDP has played an important role in helping to boost social awareness and to define and focus the Government programme to combat the disease. An inter-sector response to HIV/AIDS was launched and is widely supported, and there is a better understanding of HIV/AIDS in Government, civil society and the private sector.

60. In Honduras, a national forum was established with UNDP coordinating the different sectors working to reduce HIV/AIDS and develop a unified, effective response to the pandemic. The main achievement of the forum has been to create an environment allowing the representation of sectors not previously included in discussions. The forum has been less successful in coordinating the different sectors at the national level towards a unified response to HIV/AIDS due to its inability to call on a broad participation of stakeholders at the national level and to the fact that it is seen as a competitor of NGOs for resources.

61. An assessment of UNIFEM HIV/AIDS programming in 2003 affirmed its effectiveness in expanding knowledge and awareness of how gender inequality fuels the HIV/AIDS pandemic, and in bringing the voices and priorities of HIV-positive women to the attention of policy-makers in Government and civil society organizations. Its support has led to policy changes at state and local levels in Kenya and Nigeria as well as in the India Railways, a public sector employer with over 1.5 million employees. Its partnerships with the Joint and Co-sponsored United Nations Programme on HIV and AIDS and with UNFPA have been especially important to its effectiveness, including in post-conflict countries such as Sierra Leone.

## IV. Organizational lessons

62. Evaluation serves both to validate progress towards development results and as a basis for improving organizational effectiveness. Common questions concern the relevance and viability of the organization, the extent of results-orientation, the quality of support systems, and the dual challenge of developing partnerships and enhancing national ownership.

### A. Positioning and responsiveness

63. One of the primary challenges for UNDP is to remain relevant and useful in rapidly changing global and national contexts. To achieve this, UNDP must stay in step with the emergence of major development concerns, and in some cases be a 'first mover'. This was the case in Egypt, where UNDP advocacy on human development issues and its position as a leading partner of the Government put it ahead of the policy curve.

64. In Viet Nam, sustained advocacy for human development and early investment in the Viet Nam living standards survey, together with the World Bank, influenced the comprehensive poverty reduction and growth strategy. The comparative advantage of UNCDF in decentralisation and local governance was demonstrated through its preparedness to invest at the level of lower local governments and to make discretionary funds available for development.

65. Several outcome and country evaluations pointed to UNDP failures to seize an opportunity to build on existing work. In East Timor, having invested heavily in rehabilitation activities and building a comparative advantage, UNDP failed to support a relatively large portfolio of physical rehabilitation of public infrastructure and utilities, although it has retained the trust of the Government in supporting the rehabilitation process. In Ethiopia and Viet Nam, UNDP was weak in following through from successful coordination and partnering efforts in decentralization and poverty monitoring.

66. The most common and critical advantages appear to be in strengthening advocacy for human development issues by fostering national engagement, and drawing on innovative local operational solutions. The cases of India, Pakistan and Sri Lanka confirm that the role of micro initiatives should be seen in terms of providing a new outlook on existing macro development practices, and that well-executed approaches to social mobilization can be relatively novel to anti-poverty efforts and can thus influence macro-thinking.

## B. Managing for results

67. Evaluations have revealed that a lack of clear focus has often prevented UNDP from establishing or retaining a strategic role. In Turkey, the two most recent country cooperation frameworks suffered from an excessive scope and fragmentation of effort. However, it was noted that during the past year the country office has successfully started narrowing the focus of its strategic agenda. In Bulgaria, where the UNDP country office has been remarkably successful, it was suggested that a stronger thematic focus within a coherent strategy was needed, with policy-level and institutional results that UNDP has contributed to emanating from a wide range of operations rather than from individual projects. In some cases, this fragmentation was caused by the imperative of mobilizing resources, leading to a loss of internal cohesion and external coherence, potentially crowding out coordination and brokering roles.

68. Evidence from several offices revealed that the UNDP corporate results-based management tools had not been sufficiently internalized and used to sharpen the focus and direct efforts towards achieving development outcomes.

69. A more consistent generation and use of evaluative evidence is necessary for well-informed review and decision making by UNDP, the Government and its partners in terms of whether or not particular programmes and initiatives should be continued, whether they had the potential to survive and be scaled up, and whether they showed promise for longer-term development impact. This challenge is also noted in GEF projects, although there is some evidence that newer projects represent an improvement over older ones, and that staff are increasingly aware of the deficiencies and the need to remedy them.

## C. Ownership and partnership

70. The challenge of positioning is coupled with that of ensuring that UNDP does not enter or end up replacing government functions and that adequate capacity-building mechanisms are in place to allow an exit strategy. Evidence from a number of evaluations during the year suggests the line between UNDP and government operations has not always been clear, challenging the organization's ability to exit successfully. Among the funds and programmes, the UNIFEM assessment of peace and security programming pointed to a need for increased attention to sustainability of UNIFEM-supported initiatives and the importance of developing clear exit strategies from the inception of a project. The evaluation of GEF in Belize, too, showed that insufficient attention had been given to ensuring sustainability, by, for example, finding ways of making activities self-supporting.

71. In terms of expanding national ownership beyond Government to include civil society participation, evaluations have pointed up the need for UNDP to do more to promote broad-based ownership in the PRSP process and the MDG reports. At the project level, however, nearly 40 per cent of the evaluated projects in 2000-2002 period aimed to promote broad-based participation (e.g., supporting decentralization. more inclusive participation in development activities, ensuring accountability, etc.), and over 80 per cent of these were deemed satisfactorily or significantly effective.

72. Partnership for UNDP lies with the function of the resident coordinator and in its role in aid coordination amongst donors. A 2001 assessment of the CCA/UNDAF process notes that collaboration among United Nations organizations has improved, and had a favourable effect on the division of labour among the organizations and in identifying gaps and overlaps. However, United Nations coordination remains a challenge and the CCA and UNDAF instruments are seen as over-broad, unfocused and costly tools with limited impact on effective day-to-day cooperation among United Nations organizations.

# V. Future directions for evaluation

73. As 2015 draws closer, demands for credible evidence of progress towards global and national development goals increase. This challenge is multifaceted, since evaluation seeks to provide a basis for the accountability of the provider to the client, the implementer to the donor, and also to improve development practice through governance structures that facilitate learning. UNDP and its associated funds and programmes bear a responsibility as organizations with a mandate to bridge governments, civil society groups, the private sector and bilateral and multilateral funding bodies. The overarching challenge is one of opening their evaluation processes up to incorporate the broader accountability and governance dimensions, while at the same time providing a firm foundation upon which UNDP can retain its positive independence and value.

74. A number of specific directions for evaluation are clear, based on the evidence of 2003. The process of refining the architecture in the light of managing for results will continue while remaining flexible and open to the common standards being

developed across United Nations. The work will include a review and update of the methodologies of ADR and outcome evaluation. As the MYFF is rolled out, the opportunity to reinforce results-based evaluation practices at the country level and with partners will be pursued. This challenge remains a hefty one, and the evidence cited in this report highlights the need for a consistent culture of assessment. Evaluation capacity development efforts will need to be more strategic, working through existing partnerships and associations, and building on existing good practice to illustrate what evaluation can achieve.

75. The coming year will include key ADRs in China, Haiti, Honduras, Jamaica, Mozambique, Nepal, Syria, and Yemen. Thematic evaluations will include an assessment of UNDP effectiveness in responding to HIV/AIDS in southern Africa; a study of poverty-governance linkages; gender mainstreaming; national human development reports; knowledge management; a set of five linked corporate evaluations, one for each of the five regional cooperation frameworks; and a joint evaluation of crisis prevention and recovery with the Bureau for Crisis Prevention and Recovery. Finally, the evaluation office will produce the fourth DER.

76. For UNCDF, 2004 is a critical year, marking the culmination of the organization-wide impact assessment exercise and the review of the UNCDF strategic results framework (SRF) for 2000-03. These two events presented the UNCDF evaluation unit with two specific challenges: the timely completion and presentation of the findings of the impact assessment to the Executive Board at the June 2004 session, and the preparation of the new SRF, or a MYFF for 2004-2007 by the second regular session in September 2004. Similarly, the main challenge for UNIFEM will be to align evaluation standards and practices with its recently approved MYFF 2004-2007. This entails, in particular, ensuring that a human rights-based approach informs all aspects of UNIFEM evaluation processes.

77. The UNV programme of evaluation for 2004 includes reviews of UNV involvement in peacekeeping operations; elections; two or possibly three country reviews; a global assessment of Greater Involvement of People Living with or Affected by HIV/AIDS projects; and a series of project evaluations. For GEF, in addition to the mandatory mid- and end-term evaluations of all projects worth over one million dollars, evaluations will be conducted in the three main focal areas – biodiversity, climate change and international waters.

78. Evaluation in UNDP and its associated funds and programmes will focus on enhancing the culture of assessment and the use of evaluative evidence for decision making in 2004-2005 so as to improve performance and make a greater contribution to development effectiveness.

# Annex

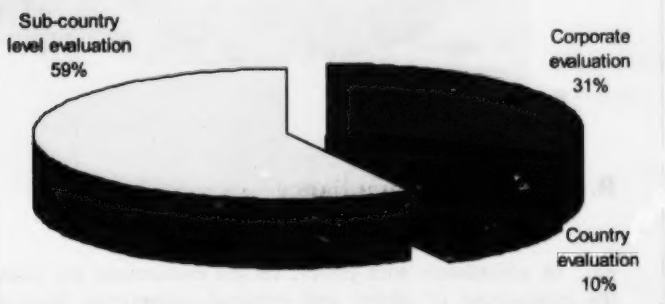
# Evaluation statistics

## A. Evaluations of UNDP and its associated funds and programmes

79. During the reporting period, 86 core evaluations were conducted by UNDP and its associated funds and programmes. The core evaluations were managed by central or regional evaluation bodies such as the UNDP evaluation office or the GEF monitoring and evaluation team, while strategic evaluations (such as outcome evaluation) were managed by country offices. Other programme- and project-specific evaluations are not presented in this report.

80. As figure 1 illustrates, the majority (59 per cent) of these evaluations were completed at the sub-country level, reflecting the demand for information as a basis for learning and decision-making within the programme cycle. This group incorporates programme, evaluations, UNDP outcome evaluations, and mid-term and final project evaluations conducted by UNV, the GEF, UNIFEM and the MLF. Evaluations at the country level are primarily a UNDP instrument.

**Figure 1. UNDP and associates: evaluation by type 2003**



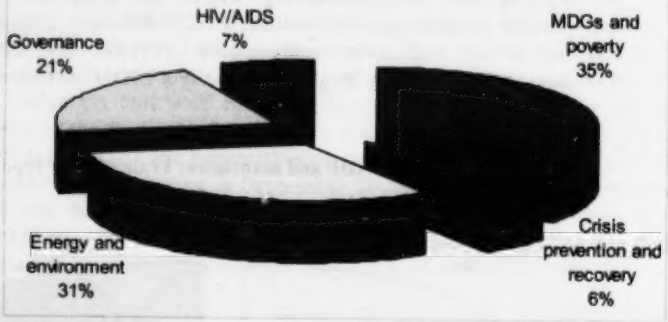

| | Corporate/ thematic and multi-Country evaluation | Country evaluation | Sub-country level evaluation* |
|---|---|---|---|
| UNDP | 6 | 8 | 28 |
| UNCDF | 3 | 0 | 0 |
| UNIFEM | 7 | 0 | 6 |
| UNV | 3 | 1 | 6 |
| GEF | 6 | 0 | 9 |
| MLF | 2 | 0 | 1 |
| *Total* | 27 | 9 | 50 |

* Sub-country evaluation includes programme, outcome, thematic and project evaluation within one country

81. The corporate evaluations include that of the second Global Cooperation Framework of UNDP, which sampled 20 country offices and sub-regional facilities, and the UNCDF assessment of its organizational impact, while thematic evaluations include the UNIFEM assessment of peace and security programming, the UNV evaluation of volunteers in governance, and the UNDP assessment of micro-macro linkages.

82. The majority of evaluations were conducted in the areas of achieving the MDGs and poverty reduction (33 per cent) and energy and the environment (34 per cent). This reflects the work of UNDP, the GEF and the MLF in supporting sustainable development, and the core work areas of human development advocacy and MDG monitoring. Just over one fifth of all evaluations conducted were in democratic governance, including the highest number of UNDP outcome evaluations (see figure 4, page 21).

**Figure 2. UNDP and associates: evaluation by goal 2003**




## B. Evaluation compliance

83. In accordance with policy, certain evaluations are mandatory. These include the evaluations of global and regional cooperation frameworks and a selected number of thematic and country evaluations. Outcome evaluations are mandatory for country offices, the number and focus of these being determined in accordance with overall country resources and strategy. The report of the Administrator on evaluation in 2002 (DP/2003/33) presented data projecting the number of outcome evaluations to be conducted by region and goal based on the country office's own evaluation plans. This annex outlines progress made during the year.

84. As illustrated in figure 3, and referred to in the initial section of this report, performance over the 2003 period was weak. Of the 139 outcome evaluations originally scheduled for the calendar year, only 20 per cent have been completed. The Regional Bureau for Asia and the Pacific performed the best, with 40 per cent of planned evaluations conducted, while the Regional Bureau for Africa lagged some way behind the other regions, with only 5 per cent completed. Of these, the majority were conducted in the core work areas of achieving the MDGs, reducing poverty, and fostering democratic governance (see figure 4, page 21).

**Figure 3. Outcome evaluation by region 2003**

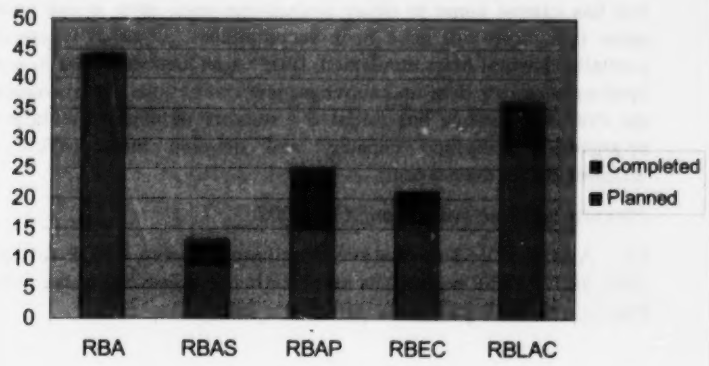
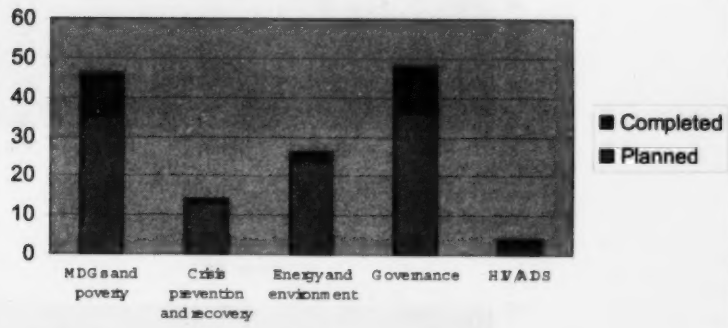



**Figure 4. Outcome evaluation by goal 2003**




85. Those percentages, while highlighting an issue of generating sufficient evaluative evidence, do not reflect non-compliance with evaluation policy. Compliance is measured over the entire country programme cycle, allowing country offices the flexibility of utilizing evaluation where and when it is best suited. Fifty-one outcome evaluations were originally planned for completion by country offices whose programme cycles ended in 2003, of which 22 were compulsory based on country resources. Of those, eight were completed, or 36 per cent of the compulsory 22 and 16 per cent of the planned 51. No single country programme completed its pre-determined number of evaluations. In almost every case, however, the country programme was initiated before the new architecture was put into place two years ago. Conducting evaluations against outcomes that have not been determined during the initial phases of a cyclical planning process was not seen as a viable exercise in most cases, and was therefore not undertaken.

86. The move upstream in programming has meant that the nature of deliverables has changed, so that, for example, policy advice often takes longer to accomplish

and is harder to attribute. Partial evidence from country offices has suggested that this has caused some to delay evaluations until later in the cycle when there is a sense that more will have been accomplished. In cases where a results-orientated mentality has not been inculcated, little value has been seen in conducting outcome-level assessments over and above project evaluations. To overcome these challenges, the evaluation office has initiated a number of complementary strategies to build awareness, strengthen capacity and develop more robust and user-friendly instruments for assessment.

*Planned outcome evaluation 2004-2007*

87. A total of 152 evaluations are planned across UNDP for the remainder of the 2004-2007 MYFF period, the majority being scheduled to take place in Asia and the Pacific, the Arab States and Africa (see figure 5).

**Figure 5. Outcome evaluation planned by region 2004-2007**

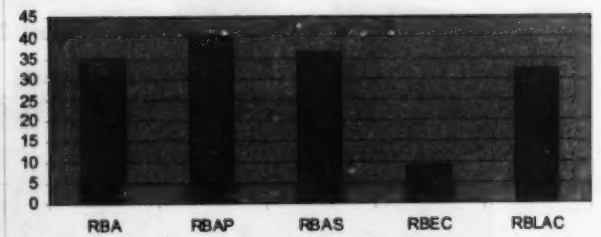
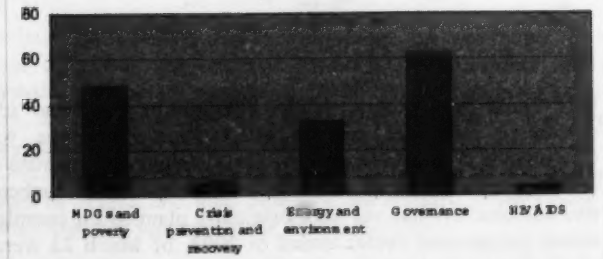



**Figure 6. Outcome evaluation planned by goal 2004-2007**




88. As figure 6 illustrates, over 70 per cent of all evaluations planned will take place in the areas of democratic governance or poverty reduction. This reflects the concentration of UNDP activities in these areas, and continues the trend of evaluations conducted during 2003.